

TOWN OF DERRY

Town Council Meeting
Derry Municipal Center

July 18, 2006
Tuesday 7: 30 pm

Member Present:

Chairman Chirichiello
Councilor Reisdorf
Councilor Ferrante
Councilor Bulkley
Councilor Dowling
Councilor Fairbanks
Councilor Coyle

Staff Present:

Frank Childs
David Gomez
Tom Carrier
Mike Fowler
Alan Cote
George Sioras
Atty Ed Boutin

Town Administrator Marcoux
Recording Clerk Michelle Cerullo
Called to Order at 7:30 pm

Salute to Flag, Notice of Fire Exits & Handicap Access

Roll Call-Present: Dowling, Fairbanks, Ferrante, Bulkley, Chirichiello, Reisdorf, Coyle

Consent Agenda

06-90 Acceptance of Minutes – June 20, 2006 – with Responses

06-91 Acceptance of Non-Public Minutes – June 11, 2006

06-92 Schedule Public Hearing – August 15, 2006 – Upstone Drive Sewer Connection

The Consent Agenda was approved.

Chairman's Report

Waived due to time restraints

Administrator's Report

Derry's 180th Anniversary will be in the year 2007. We would like to put together possibly a celebration committee.

The court case with Red Oak Properties has been resolved.

To the gentlemen who questioned about the substandard and private roads, I have received all of the information, however due to the recent return from vacation I have been unable to review the information as of yet.

Motion to move items out of order 06-84 and 06-85 prior to the public hearing on item 06-87. (Councilor Bulkley)
Amend to also move item 06-93 before public hearing. (Councilor Coyle, second Councilor Ferrante) Vote 7-0-0

06-84 Amend the Code of the Town Derry Chapter 150, Section 150-4 Prohibit Parking: Windham Depot Rd to prohibit parking in a westerly direction on the northerly

and southerly side from the intersection of Route 28 for a Distance of 450 feet.

A business owner down on Windham Depot Rd had approached Alan Cote to prohibit parking in order to protect his property. On any given weekend there are a substantial number of vehicles with trailers parked in this area for ATV use of the Rockingham County Recreational Trail.

Paul Hopfgarten – one question does this mean that the cars are going to park 450 feet back from where they do now?

Alan Cote- agrees that we are going to be pushing things around from one area to another. The reason this has happened is that Windham did something on their end that prevented the people from using the trail on the Manchester-Lawrence rail line. Which shifted the burden into Derry.

Paul Hopfgarten- Do we have any responsibility having the trail to provide any kind of parking anywhere?

Alan Cote – It is owned by the Rockingham County Recreation. I have no knowledge of the town having to provide parking.

Dave Nelson, Old Chester Rd – Considers moving the parking a band aid not a solution to the problem.

Virginia Roache, Maxwell Dr- doesn't feel this is a solution to the problem.

Bob Marquis, By Pass 28 – That corner is a dangerous area. Questioned if Stark Rd or Mill Rd would be a better place for parking? If the Town wanted to enhance that area could the parking be moved here?

Alan Cote – Yes it could be but still could pose a problem for these other residents. Is this a Town obligation or a DRED obligation?

Al Dimmock, High Street – Highway Safety Committee can only make recommendations but the Town Council has final decision. He feels the Council should follow Alan Cote's advice.

Maureen Rose, Windham Rd- Windham is enforcing people parking near the trails; this is going to keep forcing people into Derry. We need to put up signs for this area.

Richard Tripp, Windham Rd – Moving parking back 450 feet is the beginning of the solution.

Motion to close Public Hearing (Councilor Bulkley, second Councilor Coyle) Vote 7-0-0

Councilor Bulkley feels a real solution needs to be made. What is being proposed does not address the issue. Would like to table this until someone can come up with a real solution. (Not a Motion)

Councilor Reisdorf feels we need to address DRED & Rockingham County Recreation and let them know if that they need to create proper parking for these trails and to make them safe.

Councilor Ferrante agrees with Councilor Reisdorf and doesn't feel Derry should take this on because of liability.

Administrator Marcoux suggested to the Council to make a motion to table this and direct the Town Administrator to write a letter to the Department of Resources and Economic Development in regards to the use of the trail and parking being provided. This should not rest on the Towns. The Administrator will also contact Manager in Windham to also write in this regard.

Motion made to table 06-84 and direct Administrator Marcoux to address with the State this issue (Councilor Bulkley, second Councilor Ferrante) Vote 5-2-0 (Councilor Coyle, Councilor Reisdorf) Councilor Coyle agrees with Public Works and thinks this amendment should be used.

Councilor Bulkley suggested if there is an immediate issue with parking there could be an emergency preamble done at the next meeting to address the situation temporarily.

06-85 Increase in Ambulance Transportation Fees

**Motion to open Public Hearing (Councilor Coyle, second Councilor Bulkley)
Vote 7-0-0**

Chief Klauber-request for raise in the ambulance fees. Last time rates were raised was two years ago. Council in 2000 asked that rates not increase 10% over Medicare. 85% of clients have some sort of insurance. A Hardship Committee is established to help with people who cannot pay the fees. Private payees set up payment plans with the Finance Department. There are three fees based on use BLS, ALS 1 and ALS 2. ALS1 includes the cardiac monitoring fee.

Paul Hopfgarten, Hampstead Rd – Asked for clarification of ALS1 rate increase.

Chief Klauber- stated that the cardiac monitoring is included in this rate.

Motion to close the Public Hearing (Councilor Bulkley, second Councilor Coyle) Vote 7-0-0

Councilor Dowling questioned where the mileage rate was from, point of service?

Chief Klauber replied that it is based on Medicare requirements that are from pick- up to a delivery at medical center.

Councilor Dowling asked if we had any account receivable with other towns.

Chief Klauber explained that we have contracts with the other towns just to provide service.

Councilor Dowling: 85% of the people in Derry have insurance, do 85% of the people in other towns have insurance?

Chief Klauber: other towns have almost 90% in insurance.

Councilor Ferrante asked for clarification page 2 and page 3 of 9.25 or 9.75.

Chief Klauber :this is a typo it should be 9.25

Proposed Rates

BLS Emergency Base Rate	\$377.00
ALS1 Emergency Base Rate	\$584.17
ALS2 Emergency Base Rate	\$647.97
Specialty Care Base Rate	\$767.79
Mileage	\$9.25/mile

**Motion to accept the recommendations of the Fire Department to increase the Ambulance transport fees as show in the report dated August 1, 2006.
(Councilor Coyle, second Council Ferrante) Vote 7-0-0**

New Business

06-93 Approve Fire Budget Transfers

Chief Klauber gave a description of transfers:

<u>Amount</u>	<u>From</u>	<u>To</u>
\$2000	Fire Line 120 Temp Wages	Fire Line 430 Contracted Repairs & Maint.
\$3000	Fire Line 120 Temp Wage	Fire Line 690 Capital less than \$10,000
\$4000	Fire Line 120 Temp Wages	Fire Line 740 Mach & Equip
\$16000	Fire Line 120 Temp Wages	Fire Line 740 Mach & Equip.
\$25,000 Total		

**Motion to approve the Fire Budget Transfers by Councilor Bulkley
Second by Councilor Coyle Vote 7-0-0**

Town Administrator Marcoux addressed the O'Hara Concession Building agreement 06-05 and asked the Council to vote to take this out of order.

Chairman Chirichiello asked for objections to taking this out of order.
(There were none.)

06-05 Approval of Repayment for O'Hara Concession Building

Motion: Authorize the Town Administrator to enter into a Lease Agreement with Derry Little League for the O'Hara Field Concession Stand and to take any further action related thereto. (Councilor Reisdorf , second Councilor Fairbanks) Vote 7-0-0

06-87 Route 28 reconstruction and establishment of Tax Increment Finance District (Rt. 28 Corridor TIF District) pursuant to RSA 162-K, including a \$4.9M Bond made up of the following Parcel ID #'s:

08017	08276-001	08001-002004	08286-003
08275	08002	08001-006	08003
08285	08003-001	35100	08286-004
35015-005	08004	35015-003	08286-005
08284-002	08001-003001	35015-002	08276
08001-004001	08283	08001-002003	08286-006
08278	08286-001	35014-002	08286-07

3015-009	08274	35015-004	08286-014	
35015-013	08284-001	08001-002	08280-004	
35015-011	08001-004	08001-002002	08286-008	
35014-005	08273	08001-005	08286-013	
08280-003	08272	35015-012	08286-009	
08269	08001-00002	08001-010	08286-010	
08014	08001-03	08001-002001	08286-012	
08279	08001-001	35015	08284	
08006-001	08287	08286-002	08286-011	
08280-001	08001-003011	08280	08286	35015-014
08280-002	08001-009	827-001	08268	08278

Motion by Councilor Coyle to open the Public Hearing, second by Councilor Bulkley Vote 7-0-0

Town Administrator Marcoux reviewed the information collected over time pertaining to the Master Plan and CIP of 2001 regarding Rte 28 construction. The proposal is sound and well thought out. It starts with a 26.4% contribution from private retailer at the front end as well as the State of NH. Secondly there is badly needed roadwork needed in that area and the reconstruction will spawn new economic development in the Rte 28 area, which the town needs.

Mike Fowler power point presentation:

- What the purpose of a TIF district
- To create a special district in which tax revenue from the district is used to finance necessary infrastructure improvements. The goal of the TIF District is to spur economic development through improvements without increasing taxes. Tax revenues derived from the higher assed values in this area are used to pay off costs that were bonded. Once bond repayment is completed, the tax revenues revert to the General Fund and Offset Taxes.
- The Rte 28 corridor improvements could be funded without the TIF, however this approach would increase taxes for existing taxpayers and the Tax cap would likely prevent this from happening.
- Route 28 Improvements have been in the CIP for several years. The State would retain ownership and maintenance of upgrades after construction.
- CLD Engineers conducted a Traffic Study for this area and targeted five intersections. The study identified that the corridor would require widening to five lanes with center a turn lane in order for the development of this area.
- Route 28 Upgrades Cost

Project estimated in 2001 at \$1.8M. Current Estimate \$6.5M June 2006.

Wal-Mart Contribution \$900,000 NHDOT \$700,000 and Town balance \$4.9M.

If new large businesses were to come into this district they would also be asked to put into this project. The district has 80 properties. This could possibly lower the \$4.9M TIF. Every year the project is deferred cost is likely to rise. Funding this upgrade sends a clear message that the Town of Derry is committed to attracting commercial and industrial entities to offset tax burden on residential properties.

- This is a State road however most of the NHDOT funding is being directed to I-93 and there is little funding for improvements.

If the TIF District is not approved the Town of Derry would not progress towards changing the residential vs. commercial/industrial tax profile. Also as the Public Works Director if this upgrade is not made and Wal-Mart would like to go forward with its project with the planning board he would be against this project as it would be catastrophic without the upgrades being done.

Frank Childs presented the bond payment and cash flow analysis. There is a need to update the bond resolution to state "Up to 4.9M", if approved. Proposal is a 30 yr bond with interest payments only for the first five years. This is based on Estimate of Assessed Value to Fund bonded indebtedness using the 2005 Tax Rate, excluding State Education portion of Tax Rate. Repayment of the bond would be approximately in the year 2020 or into 2021. All the information in the packets is what is required by state statute.

Paul Hopfgarten, Hampstead Rd-What is the actual dollar amount, wouldn't we be actually paying back an \$8M bond? What would be the interest rate for a conventional bond? Mike Fowler would be the Administrator of the TIF but it is required to have an advisory board. Who will this be? We should obtain agreements in writing from NHDOT and Wal-Mart. There are several concerns over this project and would like it on the ballot. There is a primary on September 12th and the state will allow a vote for the Town on this day.

Jack Dowd, DEDC Director-The past two Town Councils #2 goal has been for Economic Development. #1 has been 4A. By TIFing out this area it will build faster and at a higher and better use than if we just let it build its self out. The Town gets to control the growth and the structures. This will allow for more jobs and higher tax revenue. All the tax revenue from the businesses will go toward paying down the bond.

Scott Kingsley, President of the Greater Derry Chamber of Commerce-Supports the robust commercial industry. Will bring more charities to this community and the opportunity to spur private investment into our local community thus benefiting everyone. The chamber supports this project.

Senator Bob Letourneau, South Ave-Came to support the TIF District. This will broaden the tax base.

Dave MacPherson, Colony Brook Lane- (Resident, Planning Board, Traffic Management and Corporate Real Estate) The TIF District is an investment in Derry's future. Explained what a company looks for when looking to relocate to town. Derry scores well but our roads need improvement. We must act now to develop a wider commercial/light industrial tax base.

Bob Marquis, Bypass 28-Would like to see something in writing before the project begins and feels this needs further research.

Al Dimmock, High St-spoke about his personal issues with Ross's Corner. Traffic congested there. Feels that there is more information needed before a TIF is considered.

Virginia Roche, Maxwell Dr (Chairman Planning Board)-Ross's Corner area is going to have an increase in traffic based upon three new businesses on Tsienneto Rd. Urges the Council to consider reconstruction of the area in 2007 instead of 2008.

Dave Nelson, Old Chester Rd-Has a number of questions and would like them answered before this TIF District is approved. What percentage of the cost is addressing current deficiency with no new business going in? And what percent is addressing additional capacity to obtain new development? Would like to know a little bit more about the assumption. Is it true with the agreement of the county and state school tax portions, could be used as part of the TIF increment to pay down the bond? What is the no build scenario? What happens to our inability to develop these large areas? He is cautiously supporting the TIF.

John Langone, Tsienneto Rd- (original budget committee member, school board, representative now is a member of the DEDC) would like the Town to work together and have a positive attitude. Supports the TIF.

Roberta Robie, Chester Rd-Why has the Town not gone out for funding like other towns. Senator Gregg is up for re-election he has gone after another \$7M towards the widening of Granite St. Has attended 4A meeting and politicians have never gone after funding for this either. Please write letters to Senator Gregg and representatives for this funding. Other communities are asking and we should do the same. Would like a commitment from the council to write a letter to Judd Gregg and also the state reps and Senator Letourneau to do the same.

Maureen Rose, Winham Rd- Would like references to past TIF programs how they started and growth. We need to keep businesses we already have. Agrees with Roberta Robie the town should seek outside funding. She would like the people to vote on this bond. Investigate Salem Wal-Mart, did they help pay for road improvements. What were the tax benefits before and after? Have any air-quality studies been done for this area? Look at the Internet regarding pros and cons of a TIF.

Paul Kimball, McKinley Ave-Disagrees with Wal-Mart's expansion feels it will hurt the grocery stores near by. Want the public to vote on in this bond.

Neil Ochs, Tigertail Circle-reviewed what will happen if the town doesn't move forward. How much further in the future do we have to wait what is the cost of that? The closing of business in town were not the Town's fault. We can't let the Town regress the taxpayer will pay.

Chris Wolfe, Martha Dr-Will provide comparative shopping analysis and give to the Council to see savings residents of Derry get from using Wal-Mart. The Derry Strategic Planning group did a civic profile in 1994. Agrees with moving forward.

Jack Dowd-addressed some of the issues that have come up. Whether Wal-Mart comes or doesn't businesses are going to come. Most of the right a ways have been obtained. Kendall Pond Road has paid approximately 84, 000 in taxes. The three properties at Ash St generate \$100,000 in taxes. Ames is still paying rent for the property.

Roberta Robie-CIP and the Master Plan are guidelines. Birch St Reconstruction was scheduled for 2010 and has been completed for some time.

Paul Hopfgarten-assumes council will be answering the public's question. The people of Hooksett voted on Cabela's and the people of Derry should do the same.

Al Dimmock-Londonderry rezoned after Home Depot was put in on Rte 102.

Barry Cahoon, Field Rd-Has a background in Finance and is a Chief Financial Officer. Excellent work was done on this presentation. Urges the public to read the information provided before making a decision. Question in year ten, we have a prepayment penalty until year ten, but it looks like there is an excess of revenue over the expenses. Why wouldn't we just pay it down? I would like to see a little more discussion by doing this as a TIF vs. a bond.

Beverly Ferrante read a letter from Troy Allen as follows:
Letter dated 7/18/2006 Letter of TIF Support

As a business owner in the Town of Derry, a business owner and taxpayer in the proposed TIF District, and as a former president of the DEDC, I respectfully ask that this letter be read into the minutes of the Council Meeting hearing this evening.

There is a need in the Town of Derry to reduce the reliance on residential taxes to fund the Town. The way to do this is to encourage commercial growth. We have a window of opportunity today to encourage this aim.

Manchester Road has to be widened in the area of the Sanmina Plant, where it remains only two lanes. If the council agrees to fund this project it should do so quickly and in the most cost effective way with respect to taxes. Should this project go forward, the State of New Hampshire and Wal-Mart will fund rebuilding the Northern area of Manchester Road near Ashleigh Drive and Scobie Pond Road. Proper access to these areas for commercial businesses is critical to the development and redevelopment of many acres of undeveloped commercially zoned property and will encourage the redevelopment of the vacant buildings of Sanmina. Failure to act quickly will jeopardize the Super Wal-Mart project and our access to State and Wal-Mart funds for Manchester Road upgrades.

By using a TIF for the Derry funded portion of the widening project, the bonds will be paid by the businesses that occupy these areas previously mentioned. TIF Districts work, and we have a very successful one under our belt in the Ash Street Extension area. As a duly elected body, the Town Council has the authority to authorize bonding and a TIF District to make this exciting opportunity a reality. There is absolutely no downside to bonding this project in conjunction with a TIF, and no negative effect to the taxpayers of the community. The upside is the Super Wal-Mart project, making the redevelopment of the Sanmina Buildings and the old Wal-Mart easier for major large corporations, and ease of access in and out of A Street, as well as in and out of the Town of Derry for us all. With all of this development comes a vast increase in commercial taxes, which will pay for the bond, and once that is paid will greatly reduce the reliance on residential property taxes.

I respectfully ask that the council move, with the authority given it thru general election, to make a TIF District in this vital area, and bond this project to modernize and fix the important Manchester Road corridor. Failure to do this will result in a "Once in a Lifetime" opportunity lost. This is the right decision to make and the right time to do it.

Troy Allen, President
Allen Motors, Inc
19 Manchester Road
Derry NH 03038

Councilor Coyle motioned to schedule a Special Meeting on August 9, 2006. Second Councilor Bulkley.

Councilor Bulkley asked for a list of questions that were asked and the answers, be prepared for the public as soon as possible.

Councilor Ferrante would like more information made available to the public regarding the Ash Street project what it would have costs today if it hadn't been done.

Councilor Fairbanks requested that Frank Childs attend the Special Meeting.

August 9, 2006 at 7:00 p.m. Vote 7-0-0

Motion to close the public hearing by Councilor Coyle, second Councilor Fairbanks. Vote 7-0-0

Motion to reschedule 06-86 Construction of Public Works Garage and Bond Issue to the August 9th Special Meeting by Councilor Coyle, second Councilor Dowling. Vote 7-0-0

Town Administrator Marcoux asked if the Councilors would email their questions to him so that the answers could be prepared prior to the next meeting.

Chairman Chirichiello asked if there were any objections to postponing the public forum for this evening.

**Councilor Coyle asked if they could limit the Public Forum to 10 minutes.
Vote 7-0-0**

Paul Hopfgarten- Would like to see an opinion from the Secretary of State office that the Council is subject to 33:9 where the charter is actually silent in regards to the 10% bond and whether it applies or not.

Roberta Robie-presented copies to the members of the council regarding the Veteran's Credit in Salem and Londonderry. Which she researched herself.

Al Dimmock-Requested the right of the people for having rebuttal for anyone on the council.

Councilor Request

Councilor Fairbanks-James Calderone and Mark Deputy they have taken stewardship of the 17 acres allocated for open space and Tigertail Circle. They have a request for loam. Asking for a park bench for this area.

Councilor Coyle addressed a positive non-public meeting this evening

Chairman Chirichiello stated a location for the new fire station has been made and further discussion is coming.

Motion to adjourn Chairman Chirichiello, second by Councilor Bulkley.

Adjourned 10:25 p.m.

Town Clerk Recording.
Denise Neale

Approved: _____